

U.S. House and Senate Notification
Friday, December 18, 2009

To: Congressional Health Staff

From: Amy Hall
Director, Office of Legislation
Centers for Medicare & Medicaid Services

Subject: CMS Releases Guidance Regarding Section 104 of CHIPRA – Performance Bonus Payments

Yesterday, the Centers for Medicare & Medicaid Services (CMS) released a State Health Official letter providing general guidance on the implementation of section 104 of the Children's Health Insurance Program Reauthorization Act (CHIPRA), Public Law 111-3. The purpose of this State Health Official letter is to provide guidance on the new sections 2105(a)(3) and (4) of the Social Security Act, which provide Performance Bonus Payments for Federal fiscal year (FY) 2009 through FY 2013 to help States offset the costs of increased Medicaid child enrollment. Under CHIPRA, States will be able to strengthen their existing programs and provide coverage to additional low-income, uninsured, children, and pregnant women.

In addition, HHS Secretary Kathleen Sebelius announced the award of more than \$72 million to nine states for making significant progress in enrolling children in health coverage through Medicaid and improving access to children's coverage through Medicaid and the state children's health insurance program. States receiving funds today include: Alaska, Alabama, Illinois, Louisiana, Michigan, New Jersey, New Mexico, Oregon, and Washington. (See the attached chart for a complete list of State awards.) Awards vary by state according to the formula set out in CHIPRA but total \$72.6 million this fiscal year.

For your convenience, the State Health Official letter is attached. The State Health Official letter and the list of State Bonus Payments also can be found on the Insure Kids Now website at http://www.insurekidsnow.gov/professionals/CHIPRA/chipra_awards.html. If you have questions about this announcement, please contact the CMS Office of Legislation. Thank you.